

Old Age, Disability, Death

First laws: 1963 (public employees), 1975 (employees of government-owned undertakings).

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 7.43 birr.

Coverage

Public employees and employees of government-owned undertakings.

Source of Funds

Insured person: 4% of basic salary.

Employer: 6% (civilian) or 16% (military) of basic salary.

Government: None.

Qualifying Conditions

Old-age pension: Age 55 and a minimum of 10 years service and contributions.

Disability pension: Incapable of any normal gainful employment and a minimum of 10 years service and contribution.

Survivor pension: Deceased met contribution conditions for old-age pension or was pensioner at death.

Old-Age Benefits

Old-age pension: 30% of average monthly salary during the last 3 years, plus increment of 1% (civilian) or 12% (military) of average monthly salary for each year of service beyond 10, up to a maximum benefit of 60%. Lump-sum payments to those not meeting qualifying conditions.

Permanent Disability Benefits

Disability pension: Same as old-age pension.

Survivor Benefits

Survivor pension: Widow receives 50% of the pension of the deceased. Upon re-marriage, a lump sum of 2 years' pension is paid.

Orphan: 10% of the pension of the deceased (full orphan 20%).

Parents: 10% to 20% of the deceased's pension.

Administrative Organization

Office of the Prime Minister, general supervision.

The Social Security Authority, administration of program, managed by board and general manager.

Coverage

Public employees and employees of government-owned undertakings.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Payable as a lump-sum equal to 45% of monthly salary, multiplied by 5 years and degree (percentage) of incapacity due to injury.

Private insurance on basis of Labor Proclamation.

Permanent Disability Benefits

Permanent disability benefit: 45%-60% of the monthly basic salary.

Survivor Benefits

Survivor pension: Same as old-age pension.

Administrative Organization

Office of the Prime Minister, general supervision.

The Social Security Authority, administration of program, managed by board and general manager.

Sickness and Maternity

Labor proclamation and public service amendment require sick leave and maternity leave of 3 months.

Work Injury

First law: 1963.

Current law: 1974.

Type of program: Social insurance system.